Financing Recommendations of the IFT

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1. Revise Resolution No. 95-156 to commit the City to immediately increase efficiency of all the resources under its control by 2-3% annually, to free up additional funds for infrastructure needs. Review results at the end of the second year.

2. Revise Resolution No. 95-157 to commit the City to implement and achieve an annual 10% "off-the-top" General Fund capital allocation no later than FY 2012 to be spent annually for infrastructure projects or essential borrowing to core services based on increased revenue growth and operating efficiencies.

3. Revise the Capital Reserve requirements for Resolution No. 95-157 to 5% of the estimated replacement value of capital assets instead of book value; and the goal of the General Fund Capital Reserve shall be set at $5 million in addition to the 10% General Fund capital allocation.

4. Change the City's fiscal policies to fund accrued depreciation and facility renewal costs at replacement rather than book value for all municipal facilities.

5. Fully fund the annual facility renewal costs of approximately $2.1 million and conduct the work needed on a regular basis.

6. Assess the potential for adding a 0.5% local sales tax, either as a new funding source for critical infrastructure projects or to replace funds that my be lost from Measure A and Measure G if they are not approved.

7. Expand the use of public-private charitable partnerships, in support of key civic activities.

8. Explore the potential of securing greater cooperation between the public and private sector in the form of public-private partnerships or "performance-based infrastructure" (PBI) investments.

9. Establish fair market rates for all boating and slippage fees in the harbor that are both equivalent to similar southern California cities and sufficient to cover the full (direct and indirect) costs of providing marina services.

10. Use the General Fund to provide contingency backing for debt for various Enterprise Funds so long as it does not compromise the City's ability to borrow for General Funds' own infrastructure needs.

11. Explore options for collateralizing and bonding future revenue streams (such as the City's share of the State gasoline tax) as a means for providing funds for infrastructure improvements if other sources of revenue dry up.

12. Maintain the option of issuing new voter approved General Obligation Bonds to pay for major infrastructure projects.